

BOB F. ANDERSON, PE, INC.
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December 13, 2006

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING
Proposed Alternate Unit Wells
Hall Sand of the Davis Interval, Cotton Valley Formation
HALL SUI
Hico-Knowles Field
Lincoln Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **NADEL & GUSSMAN-JETTA OPERATING COMPANY**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hall Sand of the Davis Interval of the Cotton Valley Formation, Hico-Knowles Field, Lincoln Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize two (2) additional alternate unit well for the production of gas and condensate from the Hall Sand of the Davis Interval of the Cotton Valley Formation in the unit designate HALL SUI, in exception to the spacing provisions of Office of Conservation Order No. 137-U, effective September 1, 1967, such unit and well shown on the attached plat and being made a part hereof.
2. To find that the proposed alternate unit wells are necessary to assist in draining a portion of the Hall Sand of the Davis Interval of the Cotton Valley Formation in the HALL SUI that cannot be drained by any other well located therein.
3. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells or from a combination of all wells at its discretion.
4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

Hon. James H. Welsh
Hico Knowles Field
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The Hall Sand of the Davis Interval of the Cotton Valley Formation in the Hico Knowles Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 137-U, effective September 1, 1967.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter of this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being sent. A copy of this letter and the attached plat is being sent to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list and a copy of this letter, plat and list of parties is being sent to the Commissioner of Conservation and Shreveport District Office of Conservation. Upon receipt of the Legal Notice, it will be posted in a prominent place in the area of the Hico Knowles Field, will be published in a newspaper with a circulation in the area of the field and will be sent to all parties to whom this letter is being sent.

Attached is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,

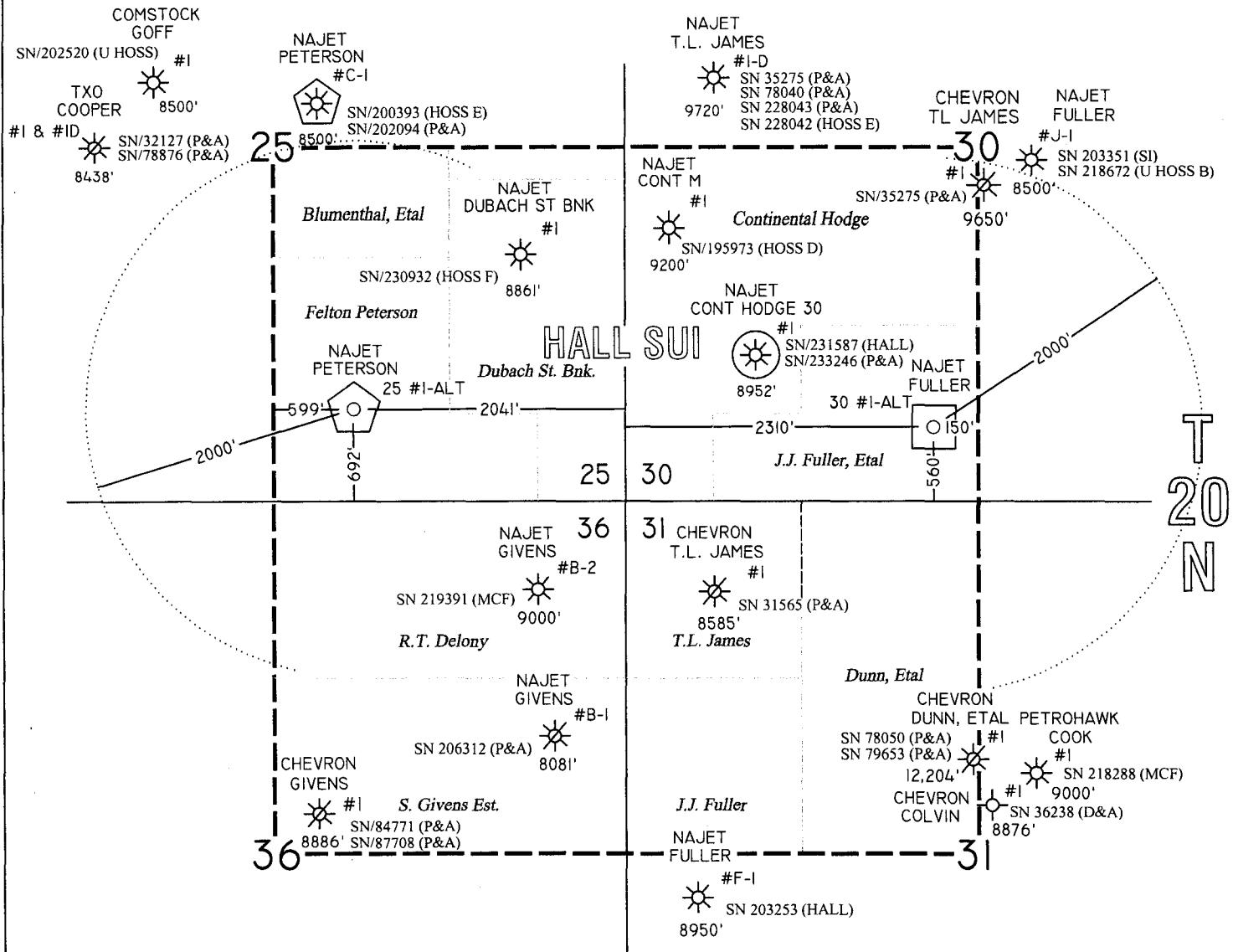


B. F. Anderson, PE for
NADEL & GUSSMAN-JETTA OPERATING COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)
Interested Owners, Represented Parties and Interested Parties (w/plat only)
Nadel & Gussman-Jetta Operating Company (w/encl.)

R4W

R3W



XXXXXX EXISTING HALL SUI BOUNDARY



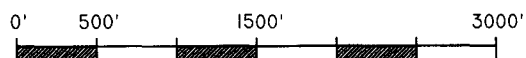
APPROVED UNIT WELL FOR
HALL SUI (SN 231587)



PROPOSED ALTERNATE UNIT WELL



PROPOSED ALTERNATE UNIT WELL
AT AN EXCEPTIONAL LOCATION



NADEL & GUSSMAN - JETTA OPER. CO.

HICO-KNOWLES FIELD
LINCOLN PARISH, LOUISIANA

PLAT SHOWING:
PROPOSED ALTERNATE UNIT WELLS FOR HALL SUI
ONE AT AN EXCEPTIONAL LOCATION

PETERSON 25 #1-ALT
FULLER 30 #1-ALT

DOCKET NO. 06-

EXHIBIT NO.1